



## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Parts 1 and 64

[CG Docket No. 17-59, FCC 23-37; FR ID 146148]

### Advanced Methods to Target and Eliminate Unlawful Robocalls

**AGENCY:** Federal Communications Commission.

**ACTION:** Proposed rule.

**SUMMARY:** In this document, the Federal Communications Commission (Commission) proposes and seeks comment on a number of actions aimed protecting consumers from illegal calls, restore faith in caller ID, and hold voice service providers responsible for the calls on their networks. Specifically, the notice of proposed rulemaking proposes and seeks comment on several options to combat illegal calls, including: specific call blocking requirements; the correct way to notify callers when calls are blocked based on reasonable analytics; requiring the display of caller name information in certain instances and; a base forfeiture for failure to adopt affirmative, effective measures to prevent new or renewing customers from originating illegal calls. Additionally, the Notice of Inquiry seeks broad comment on tools used by voice service providers to combat illegal calls, such as honeypots, as well as on the status and use of call labeling.

**DATES:** Comments are due on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER PUBLICATION], and reply comments are due on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER PUBLICATION].

**ADDRESSES:** Pursuant to §§ 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated in this document. Comments and reply comments may be filed using the Commission's Electronic Comment Filing System (ECFS). See *Electronic Filing of Documents in Rulemaking*

*Proceedings*, 63 FR 24121 (1998). Interested parties may file comments or reply comments, identified by CG Docket No. 17-59 by any of the following methods:

- *Electronic Filers:* Comments may be filed electronically using the Internet by accessing ECFS: <https://www.fcc.gov/ecfs/>.
- *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing.
- Filings can be sent by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street NE, Washington, DC 20554.
- Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. See *FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy*, Public Notice, 35 FCC Rcd 2788 (March 19, 2020), <https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy>.
- *People with Disabilities:* Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: [FCC504@fcc.gov](mailto:FCC504@fcc.gov) or phone: 202-418-0530 or TTY: 202-418-0432.

For detailed instructions for submitting comments and additional information on the rulemaking process, see the **SUPPLEMENTARY INFORMATION** section of this document.

**FOR FURTHER INFORMATION CONTACT:** For further information, please contact

Jerusha Burnett, Attorney Advisor, Consumer Policy Division, Consumer and Governmental Affairs Bureau, at [jerusha.burnett@fcc.gov](mailto:jerusha.burnett@fcc.gov) or at (202) 418-0526. For additional information concerning the Paperwork Reduction Act proposed information collection requirements contained in this document, send an email to [PRA@fcc.gov](mailto:PRA@fcc.gov) or contact Cathy Williams at (202) 418-2918.

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission's Eighth Further Notice of Proposed Rulemaking (*Eighth FNPRM*) and Third Notice of Inquiry in CG Docket No. 17-59, FCC 23-37, adopted on May 18, 2023, and released on May 19, 2023. The full text of this document is available for public inspection at the following internet address: <https://docs.fcc.gov/public/attachments/FCC-23-37A1.pdf>. To request materials in accessible formats for people with disabilities (e.g. braille, large print, electronic files, audio format, etc.), send an email to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), or (202) 418-0432 (TTY).

In addition to filing comments with the Secretary, a copy of any comments on the Paperwork Reduction Act proposed information collection requirements contained herein should be submitted to the Federal Communications Commission via email to [PRA@fcc.gov](mailto:PRA@fcc.gov) and to Cathy Williams, FCC, via email to [Cathy.Williams@fcc.gov](mailto:Cathy.Williams@fcc.gov).

### **Initial Paperwork Reduction Act of 1995 Analysis**

This document contains proposed information collection requirements. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public to comment on the information collection requirements contained in this document, as required by the Paperwork Reduction Act of 1995, Pub. L. 104-13. Public and agency comments are due **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

Comments should address: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the

information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and (e) way to further reduce the information collection burden on small business concerns with fewer than 25 employees. In addition, pursuant to the Small Business Paperwork Relief Act of 2002, Pub. L. 107-198, *see* 44 U.S.C. 3506(c)(4), the Commission seeks specific comment on how it might further reduce the information collection burden for small business concerns with fewer than 25 employees.

## **Synopsis**

### **Eighth Further Notice of Proposed Rulemaking**

1. In the companion final rule (*Report and Order*), published elsewhere in this issue of the Federal Register, and the *2023 Caller ID Authentication Order*, 88 FR 40096 (June 21, 2023), the Federal Communications Commission (Commission) made clear that all voice service providers play a key role in stopping illegal calls by extending existing obligations and closing potential loopholes. In this Eighth Further Notice of Proposed Rulemaking (*Eighth FNPRM*), the Commission proposes and seeks comment on several additional steps that could ensure that all consumers have access to call blocking solutions, restore trust in caller ID, and hold voice service providers responsible for illegal traffic. First, the Commission proposes to require that all terminating providers offer, at a minimum, analytics-based blocking of calls that are highly likely to be illegal on an opt-out basis, without charge. Second, the Commission proposes to require that all voice service providers, rather than just gateway providers, block calls based on a reasonable DNO list. Third, the Commission seeks comment on the correct SIP Code for providing callers with immediate notification of blocked calls on an ongoing basis. Fourth, the Commission seeks comment on whether, and if so how, to require terminating providers that choose to display an indication as to caller ID authentication status to provide some version of caller name to call recipients. Finally, the Commission proposes to establish a base forfeiture for any violation of the requirement for voice service providers to take affirmative, effective measures to prevent new and

renewing customers from originating illegal calls.

## **Mandatory Blocking Programs to Protect Consumers from Illegal Calls**

### **Requiring Opt-Out Analytics-Based Blocking of Calls That Are Highly Likely to be Illegal**

2. The Commission proposes to require that terminating providers offer analytics-based blocking of calls that are highly likely to be illegal on an opt-out basis without charge to consumers. The Commission's rules currently permit, but do not require, such blocking. As a result, while many terminating providers offer these services, they may not be available to all consumers. The Commission believes that this requirement will better protect all consumers from illegal calls.

3. The Commission seeks comment on this proposal. Would the Commission's proposal help protect consumers from calls they do not want to receive? The Commission has previously provided a non-exhaustive list of factors that a voice service provider might consider when blocking based on reasonable analytics rather than specifically defining the categories of "highly likely to be illegal" or "unwanted." If the Commission were to adopt its proposal, should it provide further guidance, or does its flexible approach remain appropriate? If the Commission should provide further guidance, what should it include? What lessons can the Commission take from existing analytics-based blocking to ensure any requirement is effective? How can the Commission ensure that bad actors cannot use any guidance it provides to more easily circumvent blocking? The Commission proposes to require terminating providers to offer these blocking services 30 days after publication of an Order in the Federal Register; it seeks comment on this proposal. Will some providers need more time to implement this requirement because they do not already offer any analytics-based blocking? If so, how long should the Commission allow for implementation?

4. To minimize the burden to terminating providers, the Commission proposes to consider analytics-based blocking of calls that are highly likely to be illegal on an opt-out basis to be a minimum standard. Terminating providers that already do more, or that choose to do more, would therefore be in compliance with this requirement. In particular, the Commission recognizes that many terminating providers already offer opt-out blocking services. The Commission believes that terminating providers that already block calls that are unwanted based on reasonable analytics on an opt-out basis, consistent

with its existing safe harbor at § 64.1200(k)(3), would be in compliance because unwanted calls inherently include calls that are highly likely to be illegal. The Commission seeks comment on this belief. Is there any reason that these terminating providers would not already be in compliance? If so, are there any modifications the Commission could make to this safe harbor to address this issue? How should the Commission handle a situation where a terminating provider only offers such blocking on an opt-in basis? The Commission believes that more consumers will benefit from blocking that is offered on an opt-out basis, because many consumers who would benefit from blocking will not opt in. Is this correct? Is there any way the Commission could address this issue without requiring terminating providers that offer opt-in blocking to switch to opt-out blocking? Alternatively, is the benefit of requiring these terminating providers to switch to opt-out blocking enough to justify the cost of doing so?

5. Some terminating providers already block calls that are highly likely to be illegal without consumer consent, consistent with the Commission's safe harbor under § 64.1200(k)(11). The Commission believes that terminating providers that engage in this blocking would also be in compliance with the mandate it proposes today. The Commission seeks comment on this belief. Is there any reason the Commission should not consider these terminating providers in compliance? If so, are there any modifications that the Commission should make to the safe harbor to address this? Because blocking without consumer consent would mean that more consumers would benefit than blocking on either an opt-in or opt-out basis, the Commission does not believe there is any reason to require terminating providers to offer consumers the opportunity to opt out when blocking targets calls that are highly likely to be illegal, rather than unwanted. Is this correct? Are there any reasons for us to require the terminating provider to allow consumers to opt out? If the Commission does so, would this create any issues for terminating providers that already block under the existing safe harbor? Do any terminating providers that would be impacted by this modification not offer opt-out blocking of unwanted calls? How might the Commission address these issues if it does take this approach?

6. Terminating providers that block consistent with the Commission's existing safe harbors will be protected by those safe harbors when blocking under this proposed rule. The Commission believes the safe harbors provide sufficient protection. The Commission seeks comment on this belief. Is there any reason to modify or expand the Commission's existing safe harbors to protect terminating

providers that block under this rule? If so, what modifications would be appropriate? What impact would these modifications have on lawful calls? If the Commission does adopt certain modifications to its safe harbors, should the Commission modify its rules protecting lawful calls and, if so, how? Finally, the Commission believes that its existing protections for lawful calls are sufficient and propose to extend them to calls blocked under this requirement. The Commission seeks comment on this belief and whether there are any other protections it should adopt. Are there any other issues the Commission should consider in adopting such a requirement?

#### **Requiring Blocking Based on a Reasonable Do-Not-Originate List**

7. The Commission proposes to require all voice service providers to block calls using a reasonable DNO list. A DNO list is a list of numbers that should never be used to originate calls, and therefore any calls that include a listed number in the caller ID field can be blocked. Consistent with the Commission's requirement for gateway providers for voice calling and mobile wireless providers for text messaging, the Commission proposes to allow voice service providers to use any DNO list so long as the list is reasonable and not so limited in scope that it leaves out obvious numbers that could be included with little effort. Specifically, the Commission proposes to limit the numbers that can be included on the list to invalid, unallocated, and unused numbers, as well as numbers for which the subscriber to the number has requested blocking.

8. The Commission seeks comment on this proposal. Should the list include any additional categories of numbers, or should it exclude any particular categories? The Commission notes that the categories it proposes to include are consistent both with the requirement for gateway providers and the Commission's long-standing authorization of this type of blocking, so it is reluctant to change this scope unless it provides a clear benefit to consumers. The Commission therefore seek specific comment on the benefits of any change.

9. As noted in the *Gateway Provider Order*, 87 FR 42916 (July 18, 2022), and *Gateway Provider Further Notice of Proposed Rulemaking (Gateway Provider FNPRM)*, 87 FR 42670 (July 18, 2022), The Commission does not believe every possible number must be included in a DNO list in order for such a list to be reasonable. Consistent with the Commission's rule for gateway providers, the Commission believe that, at a minimum, a reasonable list would need to include any inbound-only

government numbers where the government entity has requested the number be included. Additionally, the Commission believes it should include private inbound-only numbers that have been used in imposter scams, when a request is made by the private entity assigned such a number. The Commission seeks comment on this approach. Is there any reason to change the minimum scope of what must be included on a reasonable DNO list?

10. Finally, the Commission seeks comment on whether it is appropriate to require all voice service providers to block based on a reasonable DNO list, rather than limiting the requirement to certain voice service provider types. Because the Commission does not mandate blocking using a specific list, the content of the list may vary from one voice service provider to another. The Commission therefore believes that broad application of the rule will result in more calls that are highly likely to be illegal being blocked before they reach a consumer. Is this belief correct? Are there any other factors the Commission should consider in determining which voice service providers should be required to block? For example, are there technical limitations that would make it difficult or impossible for voice service providers to implement blocking across the network? If the Commission does limit the blocking requirement to only specific types of voice service providers, what categories of providers should be required to block? For example, should the rule only apply to originating providers, along with gateway providers? The Commission further seeks comment on the appropriate implementation timeline for this requirement. Given that this rule will need to be approved through the Paperwork Reduction Act process, does requiring compliance 30 days after publication of a notice of that approval in the Federal Register suffice, or should the Commission allow additional time? Should the Commission consider a different timeline if not all providers are covered by the final rule? Are there any other issues that the Commission should consider?

#### **Further Strengthening the Requirements to Block Following Commission Notification**

11. In the *Report and Order*, the Commission requires originating providers to block illegal traffic when notified by the Commission, as gateway providers are already required to do. While the Commission believes that, in the vast majority of cases, responsibility for blocking illegal calls should fall to originating and gateway providers, it is concerned that requiring terminating or non-gateway intermediate providers to merely respond with information regarding where they received the traffic could



leave some loopholes that bad actors might attempt to exploit. For this reason, the Commission proposes to require blocking by other voice service providers in certain situations and seek comment on other steps the Commission could take to ensure that bad actors cannot circumvent its rules.

12. First, the Commission proposes to require a terminating or non-gateway intermediate provider to block if that provider, upon receipt of a Notice of Suspected Illegal Traffic, cannot identify the upstream provider from which it received any or all of the calls. The Commission proposes that the terminating or non-gateway intermediate provider be required to block consistent with the original Notice of Suspected illegal traffic, including developing a blocking plan, following the same subsequent steps that originating and gateway providers follow when they are notified of suspected illegal traffic. Second, the Commission proposes to allow the Enforcement Bureau to direct a terminating or non-gateway intermediate provider that has received at least one prior Notice of Suspected Illegal Traffic to both block substantially similar traffic and identify the upstream provider from which it received the traffic. Finally, the Commission seeks comment on any other scenarios that it should address.

13. *Blocking When Information Regarding the Upstream Provider is Unavailable.* The Commission proposes to require terminating and non-gateway intermediate providers to block illegal traffic when notified by the Commission if, for any reason, the provider responds to the Enforcement Bureau that it cannot identify the upstream provider from which it received any or all of the calls identified in the Notice of Suspected Illegal Traffic. As part of this requirement, terminating and non-gateway intermediate providers would be required to block traffic that is substantially similar to the traffic identified in the Notice of Suspected Illegal Traffic. The Commission believes that this requirement is necessary to ensure that *all* traffic on the U.S. network is subject to blocking when the Enforcement Bureau has determined that such traffic is illegal, as well as to avoid situations in which a bad-actor provider would otherwise be shielded from consequences under the Commission's existing rules.

14. The Commission seeks comment on this proposal. The Commission believes there are two ways the issue could arise. First, a bad-actor provider might intentionally discard the information necessary to identify the upstream provider so that it cannot provide that information to the Enforcement Bureau. Second, a voice service provider that is trying to be a good actor in the ecosystem might receive a Notice of Suspected Illegal Traffic that includes calls for which it no longer has records. Are there any

other instances in which a provider would be unable to identify the upstream provider from which it received traffic? Does extending the requirement to block in these cases present a significant burden to terminating or non-gateway intermediate providers? How might the Commission reduce these burdens? Are there any situations in which the Commission should not require blocking even though the notified provider cannot identify the upstream provider(s)? How might the Commission address these situations? The Commission sees no reason why voice service providers would not be able to develop a blocking plan and start blocking in response to the initial Notice of Suspected Illegal Traffic, without requiring additional action by the Enforcement Bureau. The voice service provider will know that it cannot provide the identity of the upstream provider from its investigation, and can act on this knowledge more quickly than the Enforcement Bureau. The Commission seeks comment on this belief.

15. The Commission proposes to require blocking of “substantially similar” traffic, consistent with its rules for originating and gateway providers. Is this standard appropriate for use with terminating and non-gateway intermediate providers, or should the Commission adopt a different standard? Should the Commission provide guidance specific to terminating and non-gateway intermediate providers on meeting this standard, in recognition of the fact that they are further from the source of the call and are not the first point of entry onto the U.S. network? If so, what guidance might the Commission provide? If the Commission adopts a different standard, what standard should it adopt? As the Commission stated in the *Report and Order*, “[a] rule that only requires an originating provider to block the traffic specifically identified in the initial notice would arguably block no traffic at all, as the Enforcement Bureau cannot identify specific illegal traffic before it has been originated.” The Commission therefore thinks that some standard is essential to avoid a rule that would allow illegal traffic to continue unimpeded.

16. Are there other approaches the Commission should take instead of, or in addition to, this rule? For example, should the Commission require all U.S.-based providers to retain call detail records for a set amount of time? How long do voice service providers currently retain these records, and what information do they include? Is there an industry best practice the Commission could mandate? If so, is that retention period sufficient to allow the Enforcement Bureau time to investigate before sending a Notice of Suspected Illegal traffic, or is it possible that a Notice would be sent after the records are no

longer retained? How much does it cost voice service providers to retain these records? Does the cost to retain records increase substantially the longer the records are required to be held? Should the Commission require a shorter records retention period that would cover most cases, but still require the notified provider to block substantially similar traffic if it receives a notice when it can no longer identify the upstream provider? Is there anything else the Commission should consider in adopting a rule to cover these situations?

17. *Repeated Notifications of Suspected Illegal Traffic to the Same Terminating or Non-Gateway Intermediate Provider.* The Commission proposes to require terminating and non-gateway intermediate providers to block when the Enforcement Bureau determines that it is necessary, so long as the terminating or non-gateway intermediate provider has previously received at least one Notice of Suspected Illegal Traffic. Specifically, if the Enforcement Bureau has previously sent a Notification of Suspected Illegal Traffic to the identified provider, it may require that provider to block substantially similar traffic if it determines, based on the totality of the circumstances, that the terminating or non-gateway intermediate provider is either intentionally or negligently allowing illegal traffic onto its network. In such a case, the Commission proposes to allow the Enforcement Bureau to direct, in a Notification of Suspected Illegal Traffic or Initial Determination Order, a terminating or non-gateway intermediate provider to both identify the upstream provider(s) from which it received the identified traffic and block the traffic.

18. The Commission seeks comment on this proposal. The Commission is concerned that its current rules may not fully address situations in which the terminating or non-gateway intermediate provider may respond with information regarding the upstream provider from which it received identified traffic, but nonetheless is taking steps to shield other bad-actor providers or bad-actor callers. For example, a bad actor might intentionally set up a chain of voice service providers specifically to shield earlier providers in the chain from liability or to allow illegal traffic to continue even if one or more provider in the chain is removed. Does this rule appropriately address this concern? Is requiring at least one Notice of Suspected Illegal Traffic an appropriate threshold before the Enforcement Bureau may take this step? Should the Commission allow the Enforcement Bureau to take this step without having sent a prior Notice of Suspected Illegal Traffic, or should it instead adopt greater restrictions on when it can do

so? The Commission proposes to require the Enforcement Bureau to consider both the number of prior Notices of Suspected Illegal Traffic and how recently the prior Notices were sent, but not to set specific thresholds beyond requiring at least one prior Notice. Is this the correct approach? Should the Commission limit the length of time since the prior Notice? If so, how long should the Commission allow? Should this time vary if the voice service provider has previously received multiple Notices of Suspected Illegal Traffic?

19. Beyond these threshold questions, the Commission expects but does not propose to require the Enforcement Bureau to consider specific criteria in determining whether a provider is either intentionally or negligently allowing illegal traffic onto its network. Such criteria could include how frequently the notified provider appears in traceback requests, how cooperative the notified provider has been previously, what percentage of the notified provider's traffic appears to be illegal, evidence that the notified provider is involved in actively shielding illegal traffic, and any other evidence that indicates the notified provider is a bad actor. Is this the correct approach? Should the Commission adopt specific criteria that the Enforcement Bureau must consider? If so, what should the Commission include in those criteria? The Commission seeks comment on any other issues it should consider.

20. *Other Loopholes.* The Commission seeks comment on any other potential loopholes to its requirements to block following Commission notification. The Commission is concerned about either instances where illegal traffic would still reach consumers even after notification because no provider would be required to block it or any issues that bad-actor providers could exploit to protect themselves or other bad actors. Do the two proposals the Commission discusses above sufficiently cover these concerns? If not, what is the concern and how might the Commission address it? Are there any other issues the Commission should consider?

#### **SIP Codes for Immediate Notification of Blocked Calls**

21. The Commission seeks comment on which SIP Code(s) to require terminating providers with IP networks to use to notify callers that calls have been blocked, consistent with the TRACED Act's directive to provide "transparency and effective redress." Specifically, the Commission seeks comment on whether it should require use of the newly developed SIP Code 603+ for immediate notification, require use of SIP Code 608, or require use of SIP Code 603.

22. *Background.* In response to the TRACED Act, in December 2020, the Commission required that terminating providers blocking calls on an IP network use SIP Code 607, “Unwanted,” or SIP Code 608, “Rejected,” as appropriate, to notify callers or originating providers of a blocked call. Following a petition seeking reconsideration from USTelecom, in 2021, the Commission permitted terminating providers with IP networks to use existing SIP Code 603, “Decline,” to meet the immediate notification requirement. However, the Commission made clear that it viewed this as an “interim measure as industry moves to full implementation of SIP Codes 607 and 608,” and reaffirmed its belief that “[the Commission] should retain the requirement that terminating providers ultimately use only SIP Codes 607 or 608 in IP networks.” At the same time, the Commission sought comment on the status of the implementation of SIP Codes 607 and 608, as well as whether and how to best transition away from SIP Code 603 for use as a response for call blocking. The Commission also sought comment on whether SIP Code 603 provides adequate information to callers and thus should not be phased out, or whether SIP Code 603 requires modification to make it useful to callers. After the comment period for the rulemaking had ended, industry presented a new potential solution for the immediate notification problem, generally referred to as SIP Code 603+, “Network Blocked,” which builds on the existing SIP Code 603 to provide greater information to callers.

23. *Competing Standards.* The Commission believes that either SIP Code 608 or SIP Code 603+ has the best potential to provide callers with meaningful information when calls are blocked based on reasonable analytics, allowing for transparency and effective redress. The Commission seeks comment on this belief. The Commission notes that, because it has not previously sought comment on SIP Code 603+, it is particularly interested in the benefits and disadvantages of that particular code relative to SIP Code 608. Are both standards capable of satisfying the TRACED Act’s requirement that the Commission provide transparency and effective redress to callers? What are the advantages or disadvantages of each standard? Are either or both of these SIP Codes more advantageous than requiring use of SIP Code 603, and if so, why? Given that SIP Code 607 is not intended for use when block is based on reasonable analytics, the Commission no longer believes that it would be appropriate to continue to allow use of SIP Code 607 for this purpose, particularly given that there are now two options that specifically address this type of blocking available in SIP Codes 603+ and 608. Is this belief correct?

24. *Implementation Details and Issues.* The Commission seeks comment on the implementation process and costs for each code. Voice service providers have argued that SIP Code 603+ is easier to implement. Is this correct? How long will it take voice service providers to implement SIP Codes 603+, 607, or 608, respectively? Would the implementation timeline for SIP Code 608 vary if the Commission requires the jCard or if it does not, and if so, how? Should the Commission require a faster implementation for the code it adopts, considering the Commission's directive in the *December 2020 Call Blocking Order*, 86 FR 17726? What should the implementation deadline be? How can the Commission ensure it is met? What are the respective costs of implementation? Other than amending the Commission's mapping rule to reflect whatever SIP Code (or possibly SIP Codes) that the Commission requires to be used, does it need to take any additional steps to ensure the SIP Code(s) appropriately map to or from ISUP code 21 when calls transit non-IP networks, or are the Commission's current rule sufficient?

25. *Value to Callers.* Which SIP Code is most helpful for callers to receive and use for immediate notification of blocking based on an analytics program, or are the codes comparable for callers? What is the cost to callers to adapt their systems to receive SIP Code 603+, 607, or 608? Is there any information that would be available under SIP Code 608, either with or without the jCard, that is not available under SIP Code 603+? If so, does the benefit of this information outweigh any additional costs that voice service providers might incur to implement SIP Code 608 throughout the network? Should the Commission require voice service providers to use one of these SIP Codes or continue to allow voice service providers to choose from several SIP Codes. and if so, which Codes are most appropriate? Should the Commission continue to allow use of SIP Code 603? What impact would each approach have on callers? What is the timeline for callers to be able to receive SIP Code 603+, 607, and 608? Is there anything else the Commission should consider?

#### **Increasing Trust in Caller ID By Providing Accurate Caller Name to Call Recipients**

26. *Caller Name for Voice Calls.* The Commission seeks comment on whether and how to provide accurate caller name information to call recipients when the terminating voice service provider displays an indication that the call received A-level attestation. Some terminating providers have chosen to display an indication of caller ID authentication status to the call recipient, such as through a green

checkmark. While this may tell an informed consumer that the caller ID is either not spoofed or spoofed with authorization, it does not tell them anything about the identity of the caller. Mobile phones do not routinely display information from caller ID name (CNAM) databases, and an unfamiliar number without a display name is still an unfamiliar number, even if the recipient knows that it was not spoofed.

27. The Commission believes that combining the display of caller name information with the information that the number itself was not spoofed could provide real benefit to consumers, who would then have more data to use when deciding whether or not to answer the phone. The Commission seeks comment on this belief. Does the caller ID attestation information display alone significantly benefit the consumer? If so, how does that benefit compare to the benefit of caller name data alone? Is the combined information more beneficial than either single piece of information? What would the Commission need to do to ensure that these benefits are realized?

28. Caller name information is only valuable if it is accurate. The Commission therefore seeks comment on the source of caller name information for display. For example, should the Commission rely on existing CNAM databases for this purpose? Is it true that the accuracy of these databases varies and is impacted by whether the caller provides accurate information? How can the Commission ensure that this information is more accurate? The Commission believes that a caller that provides inaccurate information to populate CNAM databases with the intent to defraud, cause harm, or otherwise obtain something of value is in violation of the Truth in Caller ID Act. The Commission seeks comment on this belief. Are there other steps the Commission could take to ensure CNAM accuracy?

29. Alternatively, are there other sources that would be more accurate for caller name display? The Commission knows that industry has been working on branded calling options, such as Rich Call Data, which makes use of the STIR/SHAKEN framework to provide caller name and other branding for display to the consumer. Unlike the traditional CNAM databases, Rich Call Data is not widely deployed and may not work on some networks; furthermore, the primary use case appears to be for enterprise calling, rather than caller name generally. However, its incorporation into the STIR/SHAKEN caller ID authentication framework should increase the reliability of the information. Is this a correct assumption? Would Rich Call Data, or some other option, be a better choice for caller name display data? If so, what limitations and strengths do those options have, and how might the Commission

craft a rule to ensure that the limitations are addressed? How long is it likely to take for these tools to be broadly available in the network? Given that these technologies are generally focused on enterprise callers, how should the Commission handle A-level attested calls for which there is no caller name information? Should intermediate providers, terminating providers, and/or their analytics partners be required to pass without alteration Rich Call Data or other authenticated caller identification such as caller name, logo, or reason for the call?

30. Instead of requiring use of a specific technology for the caller name display, should the Commission adopt a technology-neutral standard? For example, could the Commission simply require any terminating provider to display caller name information if it displays an indication that the call received A-level attestation? Such a rule would mean that, if the database or technology the terminating provider chooses to use for this information does not include caller name data for a particular caller, the terminating provider would not be permitted to display an indication that the caller ID received A-level attestation. Are there any issues with this approach? Should the Commission set any specific requirements to ensure the accuracy of the data? Are there alternative ways to handle this that would benefit consumers?

31. The Commission's understanding is that terminating providers that choose to display caller ID authentication information only do so when the call receives A-level attestation. Are there terminating providers that display an indication when there is a different level of attestation? If so, should the Commission also require these terminating providers to display caller name information, even though there is a risk that the caller ID was spoofed? Are there any other issues the Commission should consider, such as the appropriate implementation timeline?

### **Enforcement Against Voice Service Providers that Allow Customers to Originate Illegal Calls**

32. The Commission proposes to authorize a base forfeiture of \$11,000 for any voice service provider that fails to take affirmative, effective measures to prevent new and renewing customers from using its network to originate illegal calls, including knowing its customers and exercising due diligence in ensuring that its services are not used to originate illegal traffic. The Commission further proposes to authorize this forfeiture to be increased up to the maximum forfeiture that its rules allow us to impose on



non-common carriers. Additionally, the Commission seeks comment on whether it should adopt a similar forfeiture for failure to comply with its requirement to know the upstream provider.

33. The Commission seeks comment on these proposals. The Commission believes that establishing a base forfeiture well below the maximum is appropriate, as it will allow us to adjust the total forfeiture upward or downward on a case-by-case basis consistent with section 503 of the Act and § 1.80 of the Commission's rules. The Commission seeks comment on this belief. Is the base forfeiture the Commission proposes sufficient incentive to encourage voice service providers that are not actively trying to prevent callers from placing illegal calls to take steps to ensure that the measures they take are truly effective? Would some other threshold be appropriate? If so, what would be an appropriate base forfeiture? Similarly, is the Commission's proposal to set the maximum forfeiture amount at the maximum its rules permit for non-common carriers appropriate? The Commission does not believe that there is any reason to penalize common carriers more harshly than non-common carriers. The Commission seeks comment on this belief. For this purpose, how should the Commission define an individual violation of this rule? For example, should the Commission consider each customer for which the voice service provider fails to take effective measures a single violation? If so, if a voice service provider allows that customer to originate illegal calls over the course of several days, should the Commission consider this a continuing violation such that it may impose a forfeiture of up to \$23,727 per day? In general, The Commission does not believe that this will interact with the forfeiture it adopted earlier this year for failure to block. However, the Commission seeks comment on any potential interactions and whether, and how, it should address them. Is there anything else the Commission should consider in authorizing these forfeitures?

34. The Commission also seeks comment on whether it would be appropriate to impose specific forfeitures for violations of its rules requiring a voice service provider to know its upstream provider. Should the Commission take the same approach for violations of these rules, or would a different approach be appropriate? For example, since the know-your-upstream-provider requirements apply to a high volume of illegal traffic, rather than the origination of any illegal traffic, should the base forfeiture be higher or lower?

35. The Commission believes that establishing a new base forfeiture is appropriate in part

because bad-actor voice service providers profit from the callers that they protect. The Commission seeks comment on this belief. For example, do bad-actor voice service providers profit from fees paid by downstream providers, such as CNAM database dip fees? Is there some other approach the Commission could take that would better address these economic incentives? Is there anything else the Commission should consider?

### **Legal Authority**

36. The Commission proposes to find its legal authority for the proposed rules consistent with its authority under sections 201(b), 202(a), and 251(e) of the Communications Act of 1934, as amended (the Act) as well as from the Truth in Caller ID Act and its ancillary authority. In order for the rules addressing voice calls to provide benefit, they must include all voice service providers, including non-Title II providers. The Commission further proposes to rely on its authority under the TRACED Act for establishing a specific SIP Code to be used for immediate notification of call blocking. The Act and the Truth in Caller ID Act have long formed the basis for the Commission's prohibitions on call blocking. The Commission believes that these source of authority grant it sufficient authority to adopt the proposed rules, and it seeks comment on this belief. The Commission proposes that it has authority for some matters it seeks comment on here under section 251(e) of the Act, which provides it "exclusive jurisdiction over those portions of the North American Numbering Plan that pertain to the United States." Are there any other sources of authority the Commission should rely on? Do any of these sources of authority not apply to the rules the Commission proposes today?

### **Third Notice of Inquiry**

37. Voice service providers have a wide array of tools they can use to fight the ever-changing landscape of illegal calls. While some of these tools are mandated or otherwise regulated directly by the Commission, some may not be directly subject to its rules. Even where the Commission does not directly regulate, it is important for it to be aware of the options voice service providers have and whether tools are working as intended to benefit and protect consumers. With this *Third Notice of Inquiry*, the Commission seeks information regarding the current state of technology for identifying and combating illegal calls, as well as the current state of call labeling.

### **Technology for Fighting Illegal Calls**

38. The Commission seeks comment on the tools voice service providers currently use to identify and combat illegal calls. The Commission also seeks comment on tools that are in development that show particular promise. What tools do voice service providers use, and how do these tools help identify and combat illegal calls? Are there any tools that are particularly valuable? If so, is there anything the Commission can do to improve or promote these tools? Are voice service providers reluctant to use certain tools due to fear of liability?

39. The Commission is particularly interested in the use of honeypots and whether there is any way for us to leverage or facilitate the use of honeypots more broadly. A honeypot is an unassigned phone number that is used by a voice service provider, researcher, or other third party to receive (and, where permissible, record) calls to those numbers. It allows the voice service provider (or other holder) to “listen in” on such calls. One potential advantage of a honeypot is that it allows “listening in” without violating any actual customer’s privacy. The Commission seeks comment on this anticipated benefit, and whether the use of honeypots involves any privacy risk (*e.g.*, the receipt of inadvertent calls or voicemails in which the caller reveals personally identifiable information (PII)). The Commission additionally seeks comment on whether it should take steps to further the use of honeypots. Are there any barriers to their use the Commission could remove? Can honeypots be utilized lawfully in every state, or are there state laws that might restrict or limit their use? Alternatively, should the Commission consider implementing a Commission-operated honeypot? If so, what benefits would that bring that cannot be realized through private-sector use? Are there any privacy or other concerns the Commission should be aware of? Alternatively, are there other options that fill the same role as honeypots more efficiently, or without those concerns?

40. The Commission recognizes that, in some cases, voice service providers may be reluctant to publicly disclose information regarding the tools they use to combat illegal calls. Where possible, the Commission encourage voice service providers to file public comments. If a voice service provider has particular competitive concerns, however, or is concerned that their filing may allow bad actors to circumvent these tools, the Commission also welcomes confidential filings.

#### **Call Labeling**

41. Call labeling, which comes in several forms, is a popular tool because it gives call

recipients information they can use to decide whether to answer a call. Some labels seek to warn the call recipient of the level of risk the call presents; these are generally based on analytics and may include phrases like “scam likely” or “fraud risk.” Other labels seek to provide information as to the content of the call, such as “telemarketing” or “survey.”

42. The Commission seeks comment on the current state of call labeling. Are there any voice service providers that do not offer call labeling services to their customers? If so, why not? What labels are most commonly used, and how are these labels determined? How is STIR/SHAKEN caller ID authentication information used in determining the correct label? Similarly, what role does crowd feedback play in call labeling? Do consumers report satisfaction with these services? How often do voice service providers receive complaints about inaccurate labels from call recipients? From callers? How often do consumers opt out of these services? How have voice service providers responded to these issues? How do analytics providers weigh the claims of the call originator against crowd feedback indicating a call is unwanted or abusive? Is there data regarding how often call recipients answer calls with negative labels compared to how often they answer calls that display just a number? Do labels ever override a caller name that the call recipient has saved to their phone, or does the saved name take precedence?

43. Is there anything the Commission can do to improve the availability and accuracy of call labeling, or make it more valuable to consumers and accurate for callers? Should the Commission do so? What is the Commission’s legal authority to do so?

### **Digital Equity and Inclusion**

44. The Commission, as part of its continuing effort to advance digital equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality, invites comment on any equity-related considerations and benefits (if any) that may be associated with the proposals and issues discussed herein. Specifically, the Commission seeks comment on how its proposals may promote or inhibit advances in diversity, equity, inclusion, and accessibility.

### **Initial Regulatory Flexibility Analysis**

45. As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the

Commission has prepared this Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on small entities by the policies and rules proposed in this *Eighth FNPRM*. The Commission requests written public comments on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments provided on the first page of the *Eighth FNPRM*. The Commission will send a copy of the *Eighth FNPRM*, including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration (SBA). In addition, the *Eighth FNPRM* and IRFA (or summaries thereof) will be published in the *Federal Register*.

#### **Need for, and Objectives of, the Proposed Rules**

46. In order to continue the Commission's work of protecting American consumers from illegal calls, regardless of their provenance, the *Eighth FNPRM* proposes and seeks comment on several options to better protect consumers from illegal calls, restore faith in caller ID, and hold voice service providers responsible for the calls they carry. First, the *Eighth FNPRM* proposes to require terminating voice service providers to offer, at a minimum, opt-out blocking services of calls that are highly likely to be illegal to consumers without charge. It also seeks comment on whether the Commission should continue to use a non-exhaustive list of factors that voice service providers might consider when blocking based on reasonable analytics or whether further guidance is needed to define the category "highly likely to be illegal." Second, the *Eighth FNPRM* proposes to require all voice service providers, rather than just gateway providers, to block calls using a reasonable do-not-originate list. Third, it seeks comment on specific instances where the non-gateway intermediate and terminating providers may be required to block following Commission notification of illegal traffic. Fourth, it seeks comment on the correct SIP Code to use for immediate notification of call blocking to callers, so that callers placing lawful calls can seek redress, and seeks comment on the implementation process and costs for each code. Fifth, it seeks comment on whether, and how, to require display of caller name information when a terminating provider displays an indication that a call received A-level attestation under the STIR/SHAKEN framework. Combining the display of caller name information with the information that the number itself was not spoofed may provide real benefit to consumers. Finally, it proposes to set a minimum forfeiture of \$11,000 for failure to comply with one of the existing rules, and would allow that forfeiture to be increased up to the maximum for non-common carriers. The *Eighth FNPRM* seeks comment on whether

a base forfeiture is appropriate in part because bad-actor voice service providers profit from the callers that they protect.

### **Legal Basis**

47. The proposed action is authorized pursuant to sections 4(i), 201, 202, 227, 227b 251(e), 303(r), and 403 of the Communications Act of 1934, as amended, 47 U.S.C. 154(i), 201, 202, 227, 251(e), 303(r), and 403, and section 7 of the Telephone Robocall Abuse Criminal Enforcement and Deterrence Act, Pub. L. 116-105, 133 Stat. 3274.

### **Description and Estimate of the Number of Small Entities to Which the Proposed Rules Will Apply**

48. The RFA directs agencies to provide a description of and, where feasible, an estimate of the number of small entities that may be affected by the proposed rules and by the rule revisions on which the Notice seeks comment, if adopted. The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.” In addition, the term “small business” has the same meaning as the term “small-business concern” under the Small Business Act. A “small-business concern” is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the SBA.

49. *Small Businesses, Small Organizations, Small Governmental Jurisdictions.* The Commission’s actions, over time, may affect small entities that are not easily categorized at present. The Commission therefore describes here, at the outset, three broad groups of small entities that could be directly affected herein. First, while there are industry specific size standards for small businesses that are used in the regulatory flexibility analysis, according to data from the Small Business Administration’s (SBA) Office of Advocacy, in general a small business is an independent business having fewer than 500 employees. These types of small businesses represent 99.9% of all businesses in the United States, which translates to 32.5 million businesses.

50. Next, the type of small entity described as a “small organization” is generally “any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.” The Internal Revenue Service (IRS) uses a revenue benchmark of \$50,000 or less to delineate its annual electronic filing requirements for small exempt organizations. Nationwide, for tax year 2020, there were

approximately 447,689 small exempt organizations in the U.S. reporting revenues of \$50,000 or less according to the registration and tax data for exempt organizations available from the IRS.

51. Finally, the small entity described as a “small governmental jurisdiction” is defined generally as “governments of cities, counties, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand.” U.S. Census Bureau data from the 2017 Census of Governments indicate that there were 90,075 local governmental jurisdictions consisting of general purpose governments and special purpose governments in the United States. Of this number there were 36,931 general purpose governments (county, municipal and town or township) with populations of less than 50,000 and 12,040 special purpose governments - independent school districts with enrollment populations of less than 50,000. Accordingly, based on the 2017 U.S. Census of Governments data, the Commission estimates that at least 48,971 entities fall into the category of “small governmental jurisdictions.”

### **Wireline Carriers**

52. *Wired Telecommunications Carriers.* The U.S. Census Bureau defines this industry as establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired communications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable) audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry. Wired Telecommunications Carriers are also referred to as wireline carriers or fixed local service providers.

53. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms that operated in this industry for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2021 Universal Service Monitoring Report, as of December 31, 2020, there were 5,183 providers that reported they were engaged

in the provision of fixed local services. Of these providers, the Commission estimates that 4,737 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

54. *Local Exchange Carriers (LECs).* Neither the Commission nor the SBA has developed a size standard for small businesses specifically applicable to local exchange services. Providers of these services include both incumbent and competitive local exchange service providers. Wired Telecommunications Carriers is the closest industry with an SBA small business size standard. Wired Telecommunications Carriers are also referred to as wireline carriers or fixed local service providers. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms that operated in this industry for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2021 Universal Service Monitoring Report, as of December 31, 2020, there were 5,183 providers that reported they were fixed local exchange service providers. Of these providers, the Commission estimates that 4,737 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

55. *Incumbent Local Exchange Carriers (Incumbent LECs).* Neither the Commission nor the SBA have developed a small business size standard specifically for incumbent local exchange carriers. Wired Telecommunications Carriers is the closest industry with an SBA small business size standard. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms in this industry that operated for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2021 Universal Service Monitoring Report, as of December 31, 2020, there were 1,227 providers that reported they were incumbent local exchange service providers. Of these providers, the Commission estimates that 929 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, the Commission estimates that the majority of incumbent local exchange carriers can be considered small entities.

56. *Competitive Local Exchange Carriers (LECs).* Neither the Commission nor the SBA has



developed a size standard for small businesses specifically applicable to local exchange services.

Providers of these services include several types of competitive local exchange service providers. Wired Telecommunications Carriers is the closest industry with a SBA small business size standard. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms that operated in this industry for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2021 Universal Service Monitoring Report, as of December 31, 2020, there were 3,956 providers that reported they were competitive local exchange service providers. Of these providers, the Commission estimates that 3,808 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

57. *Interexchange Carriers (IXCs)*. Neither the Commission nor the SBA have developed a small business size standard specifically for Interexchange Carriers. Wired Telecommunications Carriers is the closest industry with a SBA small business size standard. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms that operated in this industry for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2021 Universal Service Monitoring Report, as of December 31, 2020, there were 151 providers that reported they were engaged in the provision of interexchange services. Of these providers, the Commission estimates that 131 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, the Commission estimates that the majority of providers in this industry can be considered small entities.

58. *Cable System Operators (Telecom Act Standard)*. The Communications Act of 1934, as amended, contains a size standard for a "small cable operator," which is "a cable operator that, directly or through an affiliate, serves in the aggregate fewer than one percent of all subscribers in the United States and is not affiliated with any entity or entities whose gross annual revenues in the aggregate exceed \$250,000,000." For purposes of the Telecom Act Standard, the Commission determined that a cable system operator that serves fewer than 677,000 subscribers, either directly or through affiliates, will meet

the definition of a small cable operator based on the cable subscriber count established in a 2001 Public Notice. Based on industry data, only six cable system operators have more than 677,000 subscribers. Accordingly, the Commission estimates that the majority of cable system operators are small under this size standard. The Commission notes however, that it neither requests nor collects information on whether cable system operators are affiliated with entities whose gross annual revenues exceed \$250 million. Therefore, the Commission is unable at this time to estimate with greater precision the number of cable system operators that would qualify as small cable operators under the definition in the Communications Act.

59. *Other Toll Carriers.* Neither the Commission nor the SBA has developed a definition for small businesses specifically applicable to Other Toll Carriers. This category includes toll carriers that do not fall within the categories of interexchange carriers, operator service providers, prepaid calling card providers, satellite service carriers, or toll resellers. Wired Telecommunications Carriers is the closest industry with a SBA small business size standard. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms in this industry that operated for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2021 Universal Service Monitoring Report, as of December 31, 2020, there were 115 providers that reported they were engaged in the provision of other toll services. Of these providers, the Commission estimates that 113 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

### **Wireless Carriers**

60. *Wireless Telecommunications Carriers (except Satellite).* This industry comprises establishments engaged in operating and maintaining switching and transmission facilities to provide communications via the airwaves. Establishments in this industry have spectrum licenses and provide services using that spectrum, such as cellular services, paging services, wireless internet access, and wireless video services. The SBA size standard for this industry classifies a business as small if it has 1,500 or fewer employees. U.S. Census Bureau data for 2017 show that there were 2,893 firms in this industry that operated for the entire year. Of that number, 2,837 firms employed fewer than 250

employees. Additionally, based on Commission data in the 2021 Universal Service Monitoring Report, as of December 31, 2020, there were 797 providers that reported they were engaged in the provision of wireless services. Of these providers, the Commission estimates that 715 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

61. *Satellite Telecommunications.* This industry comprises firms "primarily engaged in providing telecommunications services to other establishments in the telecommunications and broadcasting industries by forwarding and receiving communications signals via a system of satellites or reselling satellite telecommunications." Satellite telecommunications service providers include satellite and earth station operators. The SBA small business size standard for this industry classifies a business with \$38.5 million or less in annual receipts as small. U.S. Census Bureau data for 2017 show that 275 firms in this industry operated for the entire year. Of this number, 242 firms had revenue of less than \$25 million. Additionally, based on Commission data in the 2021 Universal Service Monitoring Report, as of December 31, 2020, there were 71 providers that reported they were engaged in the provision of satellite telecommunications services. Of these providers, the Commission estimates that approximately 48 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, a little more than of these providers can be considered small entities.

## **Resellers**

62. *Local Resellers.* Neither the Commission nor the SBA have developed a small business size standard specifically for Local Resellers. Telecommunications Resellers is the closest industry with a SBA small business size standard. The Telecommunications Resellers industry comprises establishments engaged in purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services (except satellite) to businesses and households. Establishments in this industry resell telecommunications; they do not operate transmission facilities and infrastructure. Mobile virtual network operators (MVNOs) are included in this industry. The SBA small business size standard for Telecommunications Resellers classifies a business as small if it has 1,500 or fewer employees. U.S. Census Bureau data for 2017 show that 1,386 firms in this industry provided resale services for the entire year. Of that number, 1,375 firms

operated with fewer than 250 employees. Additionally, based on Commission data in the 2021 Universal Service Monitoring Report, as of December 31, 2020, there were 293 providers that reported they were engaged in the provision of local resale services. Of these providers, the Commission estimates that 289 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

63. *Toll Resellers.* Neither the Commission nor the SBA have developed a small business size standard specifically for Toll Resellers. Telecommunications Resellers is the closest industry with an SBA small business size standard. The Telecommunications Resellers industry comprises establishments engaged in purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services (except satellite) to businesses and households. Establishments in this industry resell telecommunications; they do not operate transmission facilities and infrastructure. Mobile virtual network operators (MVNOs) are included in this industry. The SBA small business size standard for Telecommunications Resellers classifies a business as small if it has 1,500 or fewer employees. U.S. Census Bureau data for 2017 show that 1,386 firms in this industry provided resale services for the entire year. Of that number, 1,375 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2021 Universal Service Monitoring Report, as of December 31, 2020, there were 518 providers that reported they were engaged in the provision of toll services. Of these providers, the Commission estimates that 495 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

64. *Prepaid Calling Card Providers.* Neither the Commission nor the SBA has developed a small business size standard specifically for prepaid calling card providers. Telecommunications Resellers is the closest industry with a SBA small business size standard. The Telecommunications Resellers industry comprises establishments engaged in purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services (except satellite) to businesses and households. Establishments in this industry resell telecommunications; they do not operate transmission facilities and infrastructure. Mobile virtual network operators (MVNOs) are included in this industry. The SBA small business size standard

for Telecommunications Resellers classifies a business as small if it has 1,500 or fewer employees. U.S. Census Bureau data for 2017 show that 1,386 firms in this industry provided resale services for the entire year. Of that number, 1,375 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2021 Universal Service Monitoring Report, as of December 31, 2020, there were 58 providers that reported they were engaged in the provision of payphone services. Of these providers, the Commission estimates that 57 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

### **Other Entities**

65. *All Other Telecommunications.* This industry is comprised of establishments primarily engaged in providing specialized telecommunications services, such as satellite tracking, communications telemetry, and radar station operation. This industry also includes establishments primarily engaged in providing satellite terminal stations and associated facilities connected with one or more terrestrial systems and capable of transmitting telecommunications to, and receiving telecommunications from, satellite systems. Providers of Internet services (e.g. dial-up ISPs) or voice over Internet protocol (VoIP) services, via client-supplied telecommunications connections are also included in this industry. The SBA small business size standard for this industry classifies firms with annual receipts of \$35 million or less as small. U.S. Census Bureau data for 2017 show that there were 1,079 firms in this industry that operated for the entire year. Of those firms, 1,039 had revenue of less than \$25 million. Based on this data, the Commission estimates that the majority of "All Other Telecommunications" firms can be considered small.

### **Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements for Small Entities**

66. The *Eighth FNPRM* proposes and seeks comment on imposing several obligations that may include recordkeeping or reporting requirements on small entity providers. Specifically, the *Eighth FNPRM* proposes to require all terminating voice service providers to offer, at a minimum, opt-out blocking of calls that are highly likely to be illegal. The *Eighth FNPRM* also proposes that small and other voice service providers block calls using a reasonable do-not-originate (DNO) list. This would require voice service providers that do not already engage in this type of blocking, either voluntarily or in

order to comply with the Commission’s existing rule for gateway providers, to either obtain or create such a list and ensure that the list remains up to date. The *Eighth FNPRM* seeks comment on limiting the SIP code for use for immediate notification to callers to a single code, with focus on SIP Code 608 or 603+, and seeks comment on the costs and timeline to implement and comply with the proposed rule.

Additionally, a requirement to display caller name information to consumers when displaying an indication of A-level attestation may include a recordkeeping or reporting requirement. Depending on the exact mechanism chosen, small entity and other terminating providers that wish to display an indication of attestation may need to access a caller name database or other list in order to comply. Finally, the *Eighth FNPRM* proposes specific forfeiture costs to small and other providers for failure to comply with call blocking rules. The Commission anticipates the information it receives in comments including where requested, cost and benefit analyses, will help the Commission identify and evaluate relevant compliance matters for small entities, including compliance costs and other burdens that may result from the proposals and inquiries it makes in the *Eighth FNPRM*.

#### **Steps Taken to Minimize the Significant Economic Impact on Small Entities, and Significant Alternatives Considered**

67. The RFA requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach, which may include the following four alternatives (among others): “(1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance and reporting requirements under the rules for such small entities; (3) the use of performance rather than design standards; and (4) an exemption from coverage of the rule, or any part thereof, for such small entities.”

68. The *Eighth FNPRM* seeks comment on the burdens that would be imposed on small and other voice service providers if the Commission adopts rules in the areas where the Commission seeks comment. The Commission welcomes comments on any of the issues raised in the *Eighth FNPRM* that will impact small providers. In particular, the *Eighth FNPRM* seeks comment on whether the existing safe harbors for blocking are sufficient, or whether additional safe harbor protection is necessary. Safe harbor protections are likely to be particularly important to smaller providers that may otherwise be

concerned about liability if they block calls in error. The *Eighth FNPRM* also seeks comment on multiple options for immediate notification of callers and methods for providing caller name information to consumers.

69. Including alternative options to the proposals discussed in the *Eighth FNPRM* ensures that the Commission can appropriately balance the burdens to small entity providers, with the benefit to callers placing lawful calls and consumers. Among the alternatives considered in the *Eighth FNPRM* is whether there is a benefit to requiring small and other terminating providers that currently offer opt-in blocking to switch to opt-out blocking. It also considers whether to require all voice service providers to block based on a reasonable DNO list, rather than limiting the requirement to certain voice service provider types, because the content of the list may vary depending on the provider. The *Eighth FNPRM* seeks comment on alternatives to ways small and other providers can provide an accurate caller name display, such as using Caller ID name (CNAM) databases or other sources for caller information, and requiring specific technology for caller name display or adopting a technology-neutral standard. Allowing for this flexibility may make it easier for small entities that are terminating providers to comply with the proposed rules. The *Eighth FNPRM* also seeks alternatives to the proposed base forfeiture amount, such as requiring the voice service provider to repay any profits from fees paid by downstream providers.

70. To assist in the Commission's evaluation of the economic impact on small entities, as a result of actions that have been proposed in the *Eighth FNPRM*, and to better explore options and alternatives, the Commission seeks comment on whether any of the burdens associated with the filing, recordkeeping and reporting requirements described above can be minimized for small entities. Additionally, the Commission seeks comment on whether any of the costs associated with any of the proposed requirements to eliminate unlawful robocalls can be alleviated for small entities. The Commission expects to more fully consider the economic impact and alternatives for small entities based on its review of the record and any comments filed in response to the *Eighth FNPRM* and this IRFA.

#### **Federal Rules that May Duplicate, Overlap, or Conflict with the Proposed Rules**

71. None.

#### **Procedural Matters**

72. *Regulatory Flexibility Act.* The Regulatory Flexibility Act of 1980, as amended (RFA), requires that an agency prepare a regulatory flexibility analysis for notice and comment rulemakings, unless the agency certifies that “the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities.” Accordingly, the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) concerning the potential impact of the rule and policy changes contained in the *Eighth FNPRM*. Written public comments are requested on the IRFA. Comments must be filed by the deadlines for comments on the *Eighth FNPRM* indicated on the first page of this document and must have a separate and distinct heading designating them as responses to the IRFA.

73. *Paperwork Reduction Act.* This document may contain new or modified information collection requirements subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104-13. Specifically, the rules adopted in §§ 64.1200(n)(1) and 64.6305(d)(2)(iii) and (f)(2)(iii) require modified information collections. All such new or modified information collection requirements will be submitted to the Office of Management and Budget (OMB) for review under Section 3507(d) of the PRA. OMB, the general public, and other Federal agencies will be invited to comment on any new or modified information collection requirements contained in this proceeding. In addition, the Commission notes that, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107-198, *see* 44 U.S.C. 3506(c)(4), the Commission previously sought specific comment on how the Commission might further reduce the information collection burden for small business concerns with fewer than 25 employees.

74. In this document, the Commission has assessed the effects of requiring all voice service providers to respond to traceback within 24 hours and modifying the certification requirement for the Robocall Mitigation Database accordingly, and find that small voice service providers have had ample time to develop processes to allow them to respond within the appropriate time and that providers for which this presents a significant burden, either due to their size or for some other reason, may request a waiver.

75. The *Eighth FNPRM* also contains a proposed revised information collection requirement. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and OMB to comment on the information collection requirement contained in this document, as required by the Paperwork Reduction Act of 1995, Public Law 104-13. In addition, pursuant to the Small



Business Paperwork Relief Act of 2002, Public Law 107-198, *see* 44 U.S.C 3506(c)(4), the Commission seeks specific comment on how it might further reduce the information collection burden for small business concerns with fewer than 25 employees.

76. *Ex Parte Presentations—Permit-But-Disclose.* The proceeding this *Eighth FNPRM* initiates shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with § 1.1206(b) of the Commission’s rules. In proceedings governed by § 1.49(f) of the Commission’s rules or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (*e.g.*, .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission’s *ex parte* rules.

### **Ordering Clauses**

77. **IT IS ORDERED** that, pursuant to sections 4(i), 201, 202, 227, 227b 251(e), 303(r), 403, and 503 of the Communications Act of 1934, as amended, 47 U.S.C. 154(i), 201, 202, 227, 251(e), 303(r), 403 and 503, and section 7 of the Telephone Robocall Abuse Criminal Enforcement and Deterrence Act, Pub. L. 116-105,

78. **IT IS FURTHER ORDERED** that the Commission's Office of the Managing Director, Reference Information Center, **SHALL SEND** a copy of this *Eighth FNPRM and Third Notice of Inquiry*, including the Initial Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

**List of Subjects**

**47 CFR Part 1**

Administrative practice and Procedure, Civil rights, Claims, Communications, Communications common carriers, Communications equipment, Cuba, Drug abuse, Environmental impact statements, Equal access to justice, Equal employment opportunity, Federal buildings and facilities, Government employees, Historic preservation, Income taxes, Indemnity payments, Individuals with disabilities, Internet, Investigations, Lawyers, Metric system, Penalties, Radio, Reporting and recordkeeping requirements, Satellites, Security measures, Telecommunications, Telephone, Television, Wages.

**47 CFR Part 64**

Carrier equipment, Communications common carriers, Reporting and recordkeeping requirements, Telecommunications, Telephone.

Federal Communications Commission.

**Marlene Dortch,**  
*Secretary.*

## Proposed Rules

For the reasons discussed in the preamble, the Federal Communications Commission proposes to amend 47 CFR parts 1 and 64 as follows:

### PART 1—PRACTICE AND PROCEDURE

1. The authority citation for part 1 continues to read as follows:

**Authority:** 47 U.S.C. chs. 2, 5, 9, 13; 28 U.S.C. 2461 note, unless otherwise noted.

#### Subpart A—General Rules of Practice and Procedure

2. In § 1.80, amend table 1 to paragraph (b)(10) by adding the entry of “Failure to prevent customers from originating illegal calls” at the end of the table to read as follows:

#### § 1.80 Forfeiture proceedings.

\* \* \* \* \*

(b) \* \* \*

(10) \* \* \*

Table 1 to Paragraph (b)(10)—Base Amounts for Section 503 Forfeitures

Forfeitures	Violation amount
* * * * *	
Failure to prevent customers from originating illegal calls	11,000

\* \* \* \* \*

### PART 64—MISCELLANEOUS RULES RELATING TO COMMON CARRIERS

3. The authority citation for part 64 continues to read as follows:

**Authority:** 47 U.S.C. 151, 152, 154, 201, 202, 217, 218, 220, 222, 225, 226, 227, 227b, 228, 251(a), 251(e), 254(k), 255, 262, 276, 403(b)(2)(B), (c), 616, 617, 620, 1401-1473, unless otherwise noted; Pub. L. 115-141, Div. P, sec. 503, 132 Stat. 348, 1091.

4. Amend § 64.1200 by revising paragraph (n)(5)(i)(B), adding paragraph (n)(5)(i)(C), revising paragraph (o), and adding paragraph (s) to read as follows:

**§ 64.1200 Delivery restrictions.**

\* \* \* \* \*

(n) \* \* \*

(5) \* \* \*

(i) \* \* \*

(B) If the provider's investigation determines that the identified traffic is not illegal, it shall provide an explanation as to why the provider reasonably concluded that the identified traffic is not illegal and what steps it took to reach that conclusion. Absent such a showing, or if the Enforcement Bureau determines based on the evidence that the traffic is illegal despite the provider's assertions, the identified traffic will be deemed illegal. If the notified provider determines during this investigation that it did not serve as the gateway provider or originating provider for any of the identified traffic, it shall provide an explanation as to how it reached that conclusion, identify the upstream provider(s) from which it received the identified traffic, and, if possible, take lawful steps to mitigate this traffic. If the provider responds to the Enforcement Bureau that it cannot identify any or all of the upstream provider(s) from which it received the traffic, it must block substantially similar traffic consistent with the obligations of gateway and originating providers in paragraph (n)(5)(i)(A) of this section. If the Enforcement Bureau finds that an approved plan is not blocking substantially similar traffic, the identified provider shall modify its plan to block such traffic. If the Enforcement Bureau finds that the identified provider continues to allow suspected illegal traffic onto the U.S. network, it may proceed under paragraph (n)(5)(ii) or (iii) of this section, as appropriate.

(C) If the Enforcement Bureau has previously sent a Notification of Suspected Illegal Traffic to the identified provider, it may require that provider to block substantially similar traffic consistent with the obligations of gateway and originating providers in paragraph (n)(5)(i)(A) of this section and to identify the upstream provider(s) from which it received the identified traffic—if it determines, based on the totality of the circumstances, that the terminating or non-gateway intermediate provider is either intentionally or negligently allowing illegal traffic onto its network.

\* \* \* \* \*

(o) A voice service provider must block any calls purporting to originate from a number on a reasonable do-not-originate list. A list so limited in scope that it leaves out obvious numbers that could be included with little effort may be deemed unreasonable. The do-not-originate list may include only:

(1) Numbers for which the subscriber to the number has requested that calls purporting to originate from that number be blocked because the number is used for inbound calls only;

(2) North American Numbering Plan numbers that are not valid;

(3) Valid North American Numbering Plan Numbers that are not allocated to a provider by the North American Numbering Plan Administrator; and

(4) Valid North American Numbering Plan numbers that are allocated to a provider by the North American Numbering Plan Administrator, but are unused, so long as the provider blocking the calls is the allocatee of the number and confirms that the number is unused or has obtained verification from the allocatee that the number is unused at the time of blocking.

\* \* \* \* \*

(s) A terminating provider must offer analytics-based blocking of calls that are highly likely to be illegal on an opt-out basis without charge to consumers. A provider that offers blocking services consistent with paragraph (k)(3) or (11) of this section will be deemed to be in compliance with paragraph (p) of this section, so long as those services are offered without charge.

[FR Doc. 2023-13032 Filed: 7/7/2023 8:45 am; Publication Date: 7/10/2023]